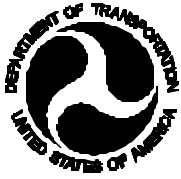


Posted: 6/13/2000  
11:25 a.m.



**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, DC**

**Docket: OST-2000-7513**

**Served: June 15, 2000**

**NOTICE**

**U.S.-Ecuador All-Cargo Frequency Allocation**

**SUMMARY**

By this notice we request that all U.S. carriers interested in providing all-cargo services to Ecuador file applications, as specified below, with the Department no later than June 22, 2000.

**BACKGROUND**

Under the Air Transport Agreement between the United States and Ecuador, U.S. all-cargo carriers may operate a maximum of 15 round-trip all-cargo frequencies per week over the routes specified in the annex of the agreement, using narrow-body aircraft or their wide-body equivalent.<sup>1</sup> Frequency allocations for U.S. carriers are as follows (based on narrow-body aircraft): Challenge, 7; Arrow Air, 3; Fine Airlines, 2; and Kitty Hawk International, 3.<sup>2</sup> In a submission in Docket OST-2000-7343, Kitty Hawk states that it "has recently ceased active operations and has filed for protection pursuant to Chapter 11 of the United States Bankruptcy code," has no intention of reentering the Ecuador market and does not object to reallocation of its frequencies to another carrier. (May 23, 2000 Answer of Kitty Hawk International)

Three U.S. carriers--Evergreen International Airlines, Atlas Air, Inc., and Gemini Air Cargo--have filed applications with the Department for reallocation of Kitty Hawk's frequencies. In addition, Amerijet International has indicated that it is interested in the Ecuador market. (See answer of Amerijet in Docket OST-2000-7343.) The Department has also received several informal inquiries

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<sup>1</sup> The agreement provides that U.S. all-cargo carriers may operate services from the United States via the intermediate points of Mexico City, Mexico; Guatemala City, Guatemala; San Salvador, El Salvador; San Pedro Sula and Tegucigalpa, Honduras; Panama City, Panama; Cali, Bogota, and Medellin, Colombia; to the coterminal points of Quito and Guayaquil, Manta and Latacunga, Ecuador; and beyond Ecuador to Lima, Peru; Santiago, Chile; Buenos Aires, Argentina; La Paz and Santa Cruz, Bolivia; Asuncion, Paraguay; and Rio de Janeiro and Sao Paulo, Brazil. The agreement further provides that narrow-body aircraft may be substituted, at the exclusive discretion of the designated airline, by wide-body aircraft at the following rates of conversion: one wide-body aircraft (L-1011, DC-10, A-300, B747SP, B-767, or similar aircraft) shall be equivalent to 1.5 narrow-body aircraft (DC-8, B-707, B-727, B-737, B-757, MD-80 or similar aircraft), except that one B-747-100 or similar aircraft will be equivalent of two narrow-body aircraft, and one B-747 Combi (with main deck cargo) shall be equivalent to 1.5 narrow-body passenger aircraft and one narrow-body all-cargo aircraft.

<sup>2</sup> Kitty Hawk was named American International Airways (AIA) at the time it received Ecuador frequency allocations. AIA was later acquired by Kitty Hawk, Inc. (its current parent company) and its certificates were reissued in its present name by Order 99-3-8.

from other carriers indicating interest in serving this market. It is our desire to enable interested carriers to use these opportunities as soon as possible. Before we decide how to award the available opportunities, to ensure that we have applications from all interested carriers, we request that all other U.S. carriers interested in making use of the available frequencies file applications as specified below with the Department no later than June 22, 2000. Answers to applications should be filed no later than June 27, 2000. Replies to answers should be filed no later than June 30, 2000.

## **APPLICATIONS/EVIDENTIARY REQUIREMENTS**

Carriers interested in using these frequencies are invited to file applications for the necessary authorizations. Carriers without the requisite underlying authority should file applications for exemption authority and for allocation of frequencies. Carriers with the necessary underlying authority need only file an application for allocation of frequencies.

Except for procedural dates, exemption/frequency applications should conform to Part 302, Subpart C of our regulations (14 CFR Part 302).<sup>3</sup> All applications should be filed in the captioned docket, OST-2000-7513, and should specify, at a minimum, the market(s) to be served, the number of frequencies requested, the proposed startup date, the complete routings from origin to destination of all flights, days scheduled, equipment types/capacity and a statement as to whether the aircraft to be used in the proposed schedule are on hand or on order, and variation of frequencies/routings by traffic season, if applicable.<sup>4</sup> Applicants are also free to submit any additional information that they believe will help us in making our decision.

All applications should be filed with the Department of Transportation, Dockets, Room PL-401, 400 Seventh Street, SW, Washington, DC 20590, in Docket **OST-2000-7513**.<sup>5</sup> As noted above, Evergreen International, Atlas Air, and Gemini have already filed applications in Dockets OST-2000-7343, OST-2000-7407, and OST-2000-7496, respectively. We will consolidate these applications into the docket established in this notice. However, these carriers should, if necessary, update their applications with the information requested in this notice by the established application date, or file new applications, making clear whether such new applications supersede those that were previously filed, or are intended to supplement those that have already been filed.

We intend to allocate the available opportunities based on the applications and responsive pleadings filed in response to this notice. We intend to make our decision using written, show-cause procedures in accordance with Part 302 of our regulations (14 CFR Part 302).

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<sup>3</sup>On February 9, 2000, the Department issued a Final Rule making technical changes to Part 302, including reorganization and renumbering of subparts. In this connection, new Subpart C replaces old Subpart D. See 65 FR 6446-6491.

<sup>4</sup> If aircraft are on hand, applicants should indicate where and to what extent those aircraft are currently being used by the applicant. If aircraft are on order, the applicant should indicate when the aircraft will be delivered and how the aircraft will be financed. The applicant should further indicate whether the aircraft to be used comply with FAR-36; if not, they should indicate specific plans for achieving compliance.

<sup>5</sup>The original submission is to be unbound and without tabs on 8 1/2" x 11" white paper using dark ink (not green) to facilitate use of the Department's docket imaging system. In the alternative, filers are encouraged to use the electronic submission capability available through the Dockets/DMS Internet site (<http://dms.dot.gov>) by following the instructions at the web site.

We will authorize service of documents by facsimile and by electronic mail. Carriers that are interested in such service, however, should state if they want service by fax or email and should provide interested parties with their fax number and/or email address.

We will serve this notice on all U.S. certificated carriers operating all-cargo aircraft, the National Air Carrier Association, the Air Transport Association, the U.S. Department of State (Office of Aviation Negotiations), the Federal Aviation Administration (AFS-200), and the Ambassador of Ecuador in Washington, D.C.

By:

Paul L. Gretch  
Director, Office of International Aviation

(SEAL)

Dated: June 13, 2000

*An electronic version of this order is available on the World Wide Web at  
[http://dms.dot.gov/reports/reports\\_aviation.asp](http://dms.dot.gov/reports/reports_aviation.asp)*

Notice Soliciting Applications  
U.S.-Ecuador All-Cargo

Paul L. Gretch, Director  
Office of International Aviation, X-40

Linda Senese  
X-44, x62367

Dorothy Beard, Chief, Dockets  
SVC-124

Please assign a new docket number for the captioned matter and insert appropriate dates as indicated throughout the notice for filing dates. The notice should be posted as soon as numbers and dates are assigned and should be processed through the printing plant. Also please place the notice on the internet.